

AMENDED IN SENATE MAY 31, 2011
AMENDED IN ASSEMBLY MARCH 22, 2011
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 462

Introduced by Assembly Member Bonnie Lowenthal

February 15, 2011

An act to amend Section 44229 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 462, as amended, Bonnie Lowenthal. Air pollution: vehicular pollution.

Existing law authorizes an air pollution control district or a regional air quality management district, until January 1, 2015, to establish a fee of up to \$6 on the registration of motor vehicles registered in the district. Existing law requires the revenues from the first \$4 of the fee be used for specified purposes. Existing law requires that the revenues from the last \$2 of the fee be used for specified programs that the district determines remediate air pollution harms created by motor vehicles.

This bill would additionally authorize a district based on that determination to use the last \$2 of the fee for programs to replace onboard natural gas tanks on schoolbuses owned by a school district that are 14 years ~~of age~~ or older, with a funding amount ~~of up to~~ *not to exceed* \$20,000 per bus and to enhance deteriorating natural gas fueling dispensers of fueling ~~infrastructures~~ *infrastructure* operated by a school district, with a *one-time* funding amount ~~of up to~~ *not to exceed* \$500 per dispenser.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 44229 of the Health and Safety Code, as
2 amended by Section 4 of Chapter 707 of the Statutes of 2004, is
3 amended to read:

4 44229. (a) After deducting all administrative costs it incurs
5 through collection of fees pursuant to Section 44227, the
6 Department of Motor Vehicles shall distribute the revenues to
7 districts, which shall use the revenues resulting from the first four
8 dollars (\$4) of each fee imposed to reduce air pollution from motor
9 vehicles and to carry out related planning, monitoring, enforcement,
10 and technical studies necessary for implementation of the California
11 Clean Air Act of 1988. Fees collected by the Department of Motor
12 Vehicles pursuant to this chapter shall be distributed to districts
13 based upon the amount of fees collected from motor vehicles
14 registered within each district.

15 (b) Notwithstanding the provisions of Section 44241 and Section
16 44243, a district shall use the revenues resulting from the next two
17 dollars (\$2) of each fee imposed pursuant to Section 44227 to
18 implement the following programs that the district determines
19 remediate air pollution harms created by motor vehicles on which
20 the surcharge is imposed:

21 (1) Projects eligible for grants under the Carl Moyer Memorial
22 Air Quality Standards Attainment Program (Chapter 9
23 (commencing with Section 44275) of Part 5).

24 (2) The new purchase, retrofit, repower, or add-on equipment
25 for previously unregulated agricultural sources of air pollution, as
26 defined in Section 39011.5, for a minimum of three years from
27 the date of adoption of an applicable rule or standard, or until the
28 compliance date of that rule or standard, whichever is later, if the
29 state board has determined that the rule or standard complies with
30 Sections 40913, 40914, and 41503.1, after which period of time,
31 a new purchase, retrofit, repower, or add-on of equipment shall
32 not be funded pursuant to this chapter. The districts shall follow
33 any guidelines developed under subdivision (a) of Section 44287
34 for awarding grants under this program.

1 (3) The new purchase of schoolbuses pursuant to the
2 Lower-Emission School Bus Program adopted by the state board.

3 (4) An accelerated vehicle retirement or repair program that is
4 adopted by the state board pursuant to authority granted hereafter
5 by the Legislature by statute.

6 (5) *The replacement of onboard natural gas fuel tanks on*
7 *schoolbuses owned by a school district that are 14 years or older,*
8 *not to exceed twenty thousand dollars (\$20,000) per bus.*

9 (6) *The enhancement of deteriorating natural gas fueling*
10 *dispensers of fueling infrastructure operated by a school district*
11 *with a one-time funding amount not to exceed five hundred dollars*
12 *(\$500) per dispenser.*

13 (c) The Department of Motor Vehicles may annually expend
14 not more than the following percentages of the fees collected
15 pursuant to Section 44227 on administrative costs:

16 (1) During the first year after the operative date of this chapter,
17 not more than 5 percent of the fees collected may be used for
18 administrative costs.

19 (2) During the second year after the operative date of this
20 chapter, not more than 3 percent of the fees collected may be used
21 for administrative costs.

22 (3) During any year subsequent to the second year after the
23 operative date of this chapter, not more than 1 percent of the fees
24 collected may be used for administrative costs.

25 (d) ~~No~~A project funded by the program shall *not* be used for
26 credit under any state or federal emissions averaging, banking, or
27 trading program. ~~No-emission~~ *Emission* reduction generated by
28 the program shall *not* be used as marketable emission reduction
29 credits or to offset any emission reduction obligation of any person
30 or entity. Projects involving new engines that would otherwise
31 generate marketable credits under state or federal averaging,
32 banking, and trading programs shall include transfer of credits to
33 the engine end user and retirement of those credits toward reducing
34 air emissions in order to ~~quality~~ *qualify* for funding under the
35 program. A purchase of a ~~low-emission~~ *low-emission* vehicle or of
36 equipment pursuant to a corporate or a controlling board's policy,
37 but not otherwise required by law, shall generate surplus emissions
38 reductions and may be funded by the program.

(e) This section shall remain in effect only until January 1, 2015, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date.

SECTION 1. Section 44229 of the Health and Safety Code, as amended by Section 4 of Chapter 707 of the Statutes of 2004, is amended to read:

44229. (a) After deducting all administrative costs it incurs through collection of fees pursuant to Section 44227, the Department of Motor Vehicles shall distribute the revenues to districts, which shall use the revenues resulting from the first four dollars (\$4) of each fee imposed to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies necessary for implementation of the California Clean Air Act of 1988. Fees collected by the Department of Motor Vehicles pursuant to this chapter shall be distributed to districts based upon the amount of fees collected from motor vehicles registered within each district.

(b) Notwithstanding the provisions of Section 44241 and Section 44243, a district shall use the revenues resulting from the next two dollars (\$2) of each fee imposed pursuant to Section 44227 to implement the following programs that the district determines remediate air pollution harms created by motor vehicles on which the surcharge is imposed:

(1) Projects eligible for grants under the Carl Moyer Memorial Air Quality Standards Attainment Program (Chapter 9 (commencing with Section 44275) of Part 5):

(2) The new purchase, retrofit, repower, or add-on equipment for previously unregulated agricultural sources of air pollution, as defined in Section 39011.5, for a minimum of three years from the date of adoption of an applicable rule or standard, or until the compliance date of that rule or standard, whichever is later, if the state board has determined that the rule or standard complies with Sections 40913, 40914, and 41503.1, after which period of time, a new purchase, retrofit, repower, or add-on of equipment shall not be funded pursuant to this chapter. The districts shall follow any guidelines developed under subdivision (a) of Section 44287 for awarding grants under this program.

(3) The new purchase of schoolbuses and other equipment pursuant to the Lower Emission School Bus Program adopted by the state board.

1 ~~(4) An accelerated vehicle retirement or repair program that is~~
2 ~~adopted by the state board pursuant to authority granted hereafter~~
3 ~~by the Legislature by statute.~~

4 ~~(e) The Department of Motor Vehicles may annually expend~~
5 ~~not more than the following percentages of the fees collected~~
6 ~~pursuant to Section 44227 on administrative costs:~~

7 ~~(1) During the first year after the operative date of this chapter,~~
8 ~~not more than 5 percent of the fees collected may be used for~~
9 ~~administrative costs.~~

10 ~~(2) During the second year after the operative date of this~~
11 ~~chapter, not more than 3 percent of the fees collected may be used~~
12 ~~for administrative costs.~~

13 ~~(3) During any year subsequent to the second year after the~~
14 ~~operative date of this chapter, not more than 1 percent of the fees~~
15 ~~collected may be used for administrative costs.~~

16 ~~(d) A project funded by the program shall not be used for credit~~
17 ~~under any state or federal emissions averaging, banking, or trading~~
18 ~~program. Emission reduction generated by the program shall not~~
19 ~~be used as marketable emission reduction credits or to offset any~~
20 ~~emission reduction obligation of any person or entity. Projects~~
21 ~~involving new engines that would otherwise generate marketable~~
22 ~~credits under state or federal averaging, banking, and trading~~
23 ~~programs shall include transfer of credits to the engine end user~~
24 ~~and retirement of those credits toward reducing air emissions in~~
25 ~~order to qualify for funding under the program. A purchase of a~~
26 ~~low-emission vehicle or of equipment pursuant to a corporate or~~
27 ~~a controlling board's policy, but not otherwise required by law,~~
28 ~~shall generate surplus emissions reductions and may be funded by~~
29 ~~the program.~~

30 ~~(e) For the purposes of this section, "other equipment" means~~
31 ~~either of the following:~~

32 ~~(1) Replacement of onboard natural gas fuel tanks on~~
33 ~~schoolbuses owned or operated by school districts that are at least~~
34 ~~14 years of age or older, with a funding amount of up to twenty~~
35 ~~thousand dollars (\$20,000) per bus.~~

36 ~~(2) The upgrade or repair of deteriorating natural gas dispensers~~
37 ~~owned or operated by school districts, with a funding amount of~~
38 ~~up to five hundred dollars (\$500) per dispenser.~~

1 ~~(f) This section shall remain in effect only until January 1, 2015,~~
2 ~~and as of that date is repealed, unless a later enacted statute, that~~
3 ~~is enacted before January 1, 2015, deletes or extends that date.~~

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